Thesis

AN ANALYSIS AND SET OF PRINCIPLES
FOR INDUSTRIAL OPEN HOUSE

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AN ANALYSIS AND SET OF PRINCIPLES FOR INDUSTRIAL OPEN HOUSE

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FORWARD

The Open House is an old and familiar subject, but today there are new reasons for conducting plant-community projects--and the old reasons have much sharper and more urgent implications. Business and industry in the United States today realize that they have a social responsibility to the community and nation that is equal to their economic responsibility.

Management, with the aid of sociologists, is beginning to recognize and accept many of these long-neglected social responsibilities. Industrial leaders have learned that a healthy business needs more than customers and employees. It needs friends. Industry's need to make itself better understood by the public and its employees has given the Open House a significant place in many community relations programs.

Purpose of this Study

It is therefore the purpose of this study to (1) indicate the importance of industry's stake in community relations; (2) to examine the theory and practical aspects of the Open House as a tool of community relations; and (3) to present an outline for planning and conducting an Open House.

Importance of Study

The industrial Open House as an aid to community relations has gained a great deal of impetus in the last few years. This added interest is largely due to the development of public relations as a carefully studied responsibility of management. There have been, however, accompanying dangers. Chief among these is the possibility that the Open House will appear to be a panacea. A few outstanding successes with this technique

has had the tendency to convince management that the Open House is a cure for all community problems.

This study attempts to point to the factors which have contributed to the success of several recent Open House affairs. Also an attempt has been made to discover the reason for the failure of a few Open Houses to reach their primary objectives.

In recognization of the need, this study has been designed to adequately deal with the techniques of planning and conducting a successful Open House. Of equal significance, however, is the emphasis placed on the problem of determining what specific results are to be gained from Open House, and an investigation of the techniques used to measure these results.

As the Open House has become more and more recognized as a device for gaining community acceptance, the need has steadily grown for a study which would stand off and critically analyze the Open House from its practical as well as its theoretical results. It is in this area that the importance of this study lies.

CHAPTER I

AN INTRODUCTION TO THE STUDY OF INDUSTRIAL OPEN HOUSE

"Whatever is done in the name of public relations can be no more effective than the philosophy of management that supports it."

T. W. Braun, Public Relations Counsel

A. *THE TERM PUBLIC RELATIONS*

The industrial Open House as a technique for gaining community acceptance is becoming an effective factor in most well-rounded public relations programs. However, if we are to understand the principles and objectives of the Open House we must first understand the term public relations. For unless the basic philosophy of public relations is understood its various techniques are of little value.

Public relations can be viewed in either narrow or broad terms. Its scope and content are almost limitless. This study is primarily devoted to a single division or phase of the subject--Open House. However, an over-all view must be gained. Only in this way is a true understanding acquired of the relations of any single division, or of several divisions, to the whole. Therefore at the very outset of this discussion it is necessary to deal with fundamental definitions.

Public relations in its simplest form is probably best defined as an art and a science which deals with the difficult problem of how an individual or an institution can get along satisfactorily with other people and institutions.[1]

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[1] Rex F. Harlow and Marvin M. Black, *Practical Public Relations* (New York: Harper & Brothers Publishers, 1947), p. 10.

Public relations then is not something new, it just has a new name. The art and science of getting along well with other people has presented a problem since the beginning of time.

In discussing public relations, Paul Garrett, director of public relations of the General Motors Corporation writes as follows:

> *"Public relations is not something that can be applied to a particular phase of the business--nor is it an umbrella covering everything but touching nothing. It is rather a fundamental attitude of mind--a philosophy of management--which deliberately and with enlightened selfishness places the broad interest of the customer first in every decision affecting the operation of the business.*
>
> *"Defined broadly, good relations with the consuming public is not something that industry can achieve through publicity or through the activities of a particular department of the organization. Public relations is not a specialized activity like production, engineering, finance, sales. It is rather something that cuts through all these as the theme for each. It is an operating philosophy that management must seek to apply in everything it does and says."*

T. J. Ross, successor to Ivy Lee , has this to say about public relations:

> *"Public relations is primarily a matter of policy. It calls for a point of view. It first asks the questions: What are the policies which govern the conduct of this business? Are they sound? Will the public approve?*
>
> *"Thus, the first task of anyone concerned with the public relations of an industry is to look not outside to the making of statements to the public, but inside to what is done and the way it is done; to the attitude of the man at the top and the influence of his personality on the business. Unless industry has that conception, printers' ink, the radio, the platform, and the screen are futile."*

Public relations therefore is a matter of policy. It has to do with creating, shaping and carrying out policies which eventially will be reflected in public good will. A sound procedure concerning policy, then, is a method of reflecting or even anticipating desirable business, economic,

social and legal changes. To anticipate these trends management must provide adequate research in the form of public opinion surveys.

Operating policies which affect the public interest, even though indirectly, and which overlook public opinion can and may be defective. While policies may be based upon many considerations, the test of public opinion is in some ways the most important measuring stick of probable value. One of the greatest values of an adequate research program is that it not only reveals attitudes accurately, but it also uncovers much of the reasoning behind these attitudes. Policies that meet all important tests of public opinion are almost alwyas the soundest. This does not mean however, that a company must become the slave of public opinion. The fact remains that one of the prime social obligations of an organization is to keep itself healthy. Therefore, it is entirely possible that public wrath may be incurred temporarily for not following an unsound whimsy of public setiment. Flexibility, adjustability and perspective are prime requisites today.

Part of the confusion surrounding the term public relations is due to its use to describe both cause and effect. That is, it is applied both to the relationship between the company and its publics, and to the procedures used to affect the relationship. Too often public relations is referred to as only the activities which are designed to improve relations between the company and their publics. Euqal stress must be placed on such factors as moral responsibility which affect this relationship. That is, the shaping of company policy.

Everywhere in the field there is agreement on the theory that public relations is a responsibility of management. In actual practice, however, policy is made in too many cases without knowledge of, or assistance from

skilled public relations practitioner. The time has long since departed when it was possible for an industry to achieve success in the business world with some good policies and a number that were not so good. The trend of today's thinking demands as close an approach as possible to policy perfection and to uniformly high standards of service. Until management or administration sees the necessity of bringing public relations into the executive chambers where policy and conduct are determined, no effective public relations will result. It follows, then, that public relations responsibilities cannot be delegated to subordinates who have no part in shaping fundamental policies or who are barred from advising management on its relations with the public.

Another concern of management, who is thinking in terms of public relations, is the shaping of company policy in the public interest. The public interest *must* come before private interests in dealing with matters of policy. If a company's behavior is not in the public interest, no public relations genius, no million dollar promotional campaign, can build durable public opinion favorable to that company. True, the public relations director has a duty to his company, and public relations cannot be sold to industrial leaders on the basis of altruism alone. Public relations must stand ready to show that it can improve a company's competitive position, and that it can do much to advance the company's interest--but not at the expense of the public.

At this time it should be clear that public relations and publicity are not the same thing.

"Publicity is the method and means by which you acquaint your public with your activities," says Milton Wright. *"It is explaining your policy; it*

is teaching the public facts that they should know for their own economic and social benefit and for the benefit of the community as a whole."[2]

Few, if any, public relations programs could be successfully conducted without publicity. It is by long odds highest in favor with management. It accomplishes wonders when skillfully and moderately used. Hence it continues to be the core of the public relations programs of many of our most successful institutions. One reason for its emphasis in the public relations field is its genuine importance.

Finally, if a real understanding of the term public relations is to be grasped by the leaders of industry, they must accept the fact that the public relations philosophy must permeate all phases of thinking in the organization. The entire planning and budgeting policy is as much a matter of public relations as it is of production and sales. In any policy relating to product or personnel, the question of public relations assumes major importance. Such policies and procedures have a great deal to do with the wider concept of public relations which holds that public relations must enter into all of the company's contacts with people within and without the organization. So interwoven, indeed, are all the activities of an organization that sometimes it becomes difficult to draw a distinction between what is public relations and what is efficient plant operation. These various plant functions can not be isolated, they are dependent on one another, for what aids one aids the others.

Out of this growing maturity of public relations has come general acceptance of the theory that there are four basic steps involved in any public relations plan. The first is the employment of scientific study to

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[2]Milton Wright, *Public Relations for Business* (New York: McGraw-Hill Book Company, Inc., 1939), p. 107.

discover what are the public relations problems and what are their proportions. The second is the adoption of sincere policies by management on which a sound program can be based. The third is the drafting of a detailed program and the execution of it in a way best calculated to earn public approval and support. The fourth step, which meets with more management resistance and caution than any of the others, is telling the public relations story in frank and convincing terms to all interested publics.[3]

B. *THE GROWING NEED FOR PUBLIC RELATIONS*

It took the depression of the '30's and the rapidity of certain economic, social and legal changes in this country to drive home the public relations needs of individuals and business. If there is any doubt that the public is grossly missinformed about business, here are actual findings of a field survey the Opinion Research Corporation of Princeton, New Jersey, conducted in 1947.

On the average, people think business makes a net profit of 25 per cent. Of the people interviewed, 48 percent did not know the meaning of accrued taxes; 45 percent could not define "earned surplus". Forty-five per cent say companies make more than they report. Almost a third of the people interviewed believed that "a handful of men like the du Ponts, Rockefellers, Fords, and so on, own most of the corporations in America."[4]

These are but a few of the results taken from this survey that help to explain why people in general have such a distorted picture of the people

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[3] Glenn and Denny Griswold, editor, *Your Public Relations* (New York: Funk and Wagnalls, 1948), p. 12.

[4] Claude Robinson, "What the People Think," *Point of View*, p. 14, May, 1948.

in management. Mr. Elmo Roper, after taking similar surveys, had this to say concerning the public attitude toward business:

> *"A majority of the people believe that very few businessmen have the good of the nation in mind when they make their important decisions. They think business is greedy and has played a large part in keeping prices too high. And they have been largely right."*[5]

Management is now becoming aware that unless they put their own house in order the public is almost sure to demand that government do the job. So it has been only within the last decade that we have seen the concept of public relations take hold in the minds of a substantial number of business leaders. At this point everyone seems to agree that this intangible force called public relations is something to be desired and management is anxiously reaching out for this new tool, in too many instances without realizing fully what is being sought and exactly how it can be used.

This trend for improved public relations performance on the part of American business concerns offers a curious paradox. Many of those who acknowledge this trend frankly and fully do not take the steps which are required to establish a complete and adequate public relations program. That is, such people do not face public relations developments, and the implications and requirements of these developments in a direct and realistic manner. Good intentions are not enough. If only lip-service is given to public relations, the open house and the various techniques of public relations can hardly be expected to accomplish the results for which they were intended.

Before attempting any part of a public relations program for a company,

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[5] "Business Is Still in Trouble," *Fortune*, 39:67-71, May, 1949.

management should ask this question. Do the present policies and conduct of this company foster public understanding and confidence? Only until this question can be answered in the affirmative can one expect to get full value from any program in public relations. This is not to say that nothing should be done until every phase of the company policy is in order. A public relations program should be both constructive--in anticipation of problems that will need correction--and corrective in applying long-term solutions to problems that have arisen.[6]

Business and industry are now at critical points in their development and if they are to survive and continue to perform their traditional function of supplying jobs and producing the world's highest standard of living they must begin to follow sound public relations practices. Therefore it is highly important that the objectives of public relations are well understood and faithly practiced. It is entirely possible that sound public relations practices may be the answer to business survival.

C. *INDUSTRY'S STAKE IN COMMUNITY RELATIONS*

Set rules of how to handle various Community Relations procedures are difficult to establish, and would possess little value because individual cases or circumstances often vary substantially and in many respects. The procedures used in different cases will also vary as among company executives because of differences in training, experience, and outlook. What can be done however, is to determine why intensified community relations activities are essential, why specific objectives must be set, and what areas of opportunity are open.

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[6] J. Hadly Wright and Bryone H. Christian, *Public Relations in Management* (New York: McGraw-Hill Book Company, Inc., 1949), p. 6.

1. *Why intensive community relations activities are essential*

First, one of the chief responsibilities of an industrial corporation is to be a good citizen in the community in which it lives. Industrial management has become aware that like an individual's good reputation, a company's depends on two things: (1) being a good neighbor and a good friend, and (2) seeing that its motives are understood.

Today's corporations are more than 'legal persons'; they have developed personalities which are judged in much the same manner as the other citizens of the community. And nowhere does the company personality show up more than in its own hometown.

As a corporate 'person' in the community, management must begin to recognize the social responsibilities that the public demands of its citizens. Responsibilities such as maintenance of attractive plants; provision for recreation facilities for the community as well as employees; elimination of nuisances such as smoke and careless disposition of waste materials; aids to health, education, unemployment, etc. in the community can hardly be classed as severe demands. They are actions that would be expected of any good neighbor.

Industry has other objectives in creating better community relations which are equally important. These objectives have to do with the important problem of business survival. Today company officials find themselves face to face with the grim question of whether or not there will be a future --either for their own organizations or for other privately owned and privately managed American business. In protecting itself against economic annihilation, private industry will find community relations activities a powerful weapon. Why? Because privately operated business will continue to thrive in this country just as long as the American people believe it should

be permitted to thrive.

A recent survey of the relationship between manufacturing plants and their surrounding communities, conducted by Opinion Research Corporation, revealed that the benefits of good community relations accrue only to companies which (1) are inherently good neighbors in their respective communities, and (2) tell the people in their communities what they do for the community benefit.

In fulfilling the first of these requirements then, management must take an active participation in the life of the community of which it is a part. This participation must take the form of a sincere, continuous project. Correcting false impressions and maintaining good ones is a never ending job, as simple in its essential philosophy as it can be complex in execution.

Companies locate and live in communities for much the same reason that other 'persons' do--for reasons of group-service, security etc. And the better a community serves its human citizens with factors of public service, health, recreation, schools and good government the better it serves its company citizens. One of the greatest assets a company can have is a group of employees who are prosperous, healthy, intelligent and happy in their surroundings. For these reasons then, community relations are of the greatest significance to any organization.

Being a good neighbor and more, however, is not enough. People have to know about it. Human beings rarely become angry with people and policies they understand. A light hidden under a bushel does not advance community relations to an appreciable degree. It is perhaps on this informational side of the community relations problem that most work needs to be done. And it is in this area that the Open House may be used to build lasting

relationships and establish good relations in the plant community.

A warning against the appearance of paternalism, patronage or high pressure techniques in community relations programs must be inserted at this time. A community must not be propagandized or soft-soaped. Too often Community Relations programs are conducted for selfish interests. Consciously or unconsciously the community relations program of many companies are designed to control a community rather than to work with the community. Management must continually examine it's policies for selfish attitudes and actions which will not stand the light of self examination.

2. *Developing a community relations program*

Because the Open House is such an integral part of most community relations programs it is necessary that this study examine the steps needed to be taken in establishing a community relations program. This will be done not in detail but only in outline form.

First, as with other phases of public relations, the policies of the company must be examined. These policies must be based on community interest. Care must be taken to correct company policy wherever necessary and to avoid conflict with public interest. All factors causing antagonism must be removed, and the company management must be committed sincerely to a program of responsible action and interest in community welfare.

The next step is to measure employee and community attitudes, for unless it is known what misinformation is in the public's mind, what antagonistic attitudes exist and why, what the employees' real or imaginary grievances are, it cannot be shown how to correct the situation.

This appraisal of the community's general attitude toward the company can be made by an outside opinion survey organization with advisory bodies, or a careful survey of past relationships. However, public opinion surveys

are difficult to conduct and analyze; therefore, are frequently misleading in their results. For this reason it is wise to use a recognized public opinion research organization--such as Opinion Research Corporation headed by Claude Robinson--one which can lend an appreciable weight of experience and knowledge to the particular problem in the community.

After attitudes are scientifically measured the next task is to determine the relationship these attitudes actually bear to that of the community. The community relations program must be designed to reach particular groups rather than the entire community in general. The community must be examined ever so closely. Strong personalities within it, the cross currents of prevailing public opinion, major interests and goals, the important institutions both public and private--everything having an effect on life in the community must be taken into account.

There are other less spectacular steps in devising a community relations plan and they are merely mentioned here, but they are of equal importance in the final outcome of the program. Among these are: consideration of small details such as telephone contacts with the public, relations with suppliers and salesman of the community, correspondence, and methods of handling interviews. Every attempt should be made to encourage all personnel to be good will ambassadors for their company in the community.

3. *Execution of the community relations program*

Although good community relations rests on the foundation of basic operational policy of a company, and the collective attitude of its personnel and many publics, there is a wide choice in the selection of the operations that are to be knit into a smoothly functioning community relations plan.

Some are the general, basic tools of good public relations with a local

application, such as news releases to press and radio, plant-city advertising, speakers, personal contacts, annual reports, public exhibits and industrial movies. Others are more restricted to the community relations aspect, such as the Open House, employee house organ, displays, special events and co-operation in civic projects, vocational information and community recreation. Careful use and integration of all of these tools in the over-all community relations program is essential. Community relations operated on this basis is effective.

Although it has been emphasized that fundamental policies of a company are of paramount importance to any community relations program this study has not given special attention to the discussion of company policies or community relations in general.

To do so would be to broaden this discussion of Open House beyond all reason. In view of what has been said regarding the ethical means by which good public relations may be obtained and the stress laid on the importance of policy, the limitation of this study to what is commonly regarded as minor functions of community relations may be challenged.

A company, however, that deserves good public relations on the basis of its policies and ethical standards may incur public disfavor because it neglects these minor factors in the relations with the community. It seems to follow then, that all functions, both large and small, must be studied and analyzed and brought into balance if the company is to secure, and deserve, good public relations.

This study proceeds then with the assumption that the company deserves good, or at least improved, public relations on the basis of its present policies and ethical standards.

CHAPTER II

WHAT THE OPEN HOUSE IMPLIES

Industry has much to gain from an Open House program. It gives management an opportunity to contact the people of the local community directly and tell the story of production, operation, sales, and-use of products, employee benefits and plant community relations. It is a medium through which people can see for themselves what makes industry function, that it is an integral part of the community in which they live. It gives employees an opportunity to show families and friends their own contributions to the overall industrial picture, instills pride in their company, and furnishes an added incentive to maintain plant house keeping. It gives the public a chance to see not only plant operations but also the actual conditions under which employees work.

Conger Reynolds, Director of Public Relations of Standard Oil Company of Indiana, has revealed a very challenging survey report of public setiment about the Standard Oil Company. Interviewers asked, "Where did you get that impression?" An extract from the report follows:

It was learned that 77 per cent of the favorable impressions and 55 percent of the unfavorable were gained through customer experience or from personal contacts with employees or dealers, that 17 per cent of the favorable impressions and 24 per cent of the unfavorable developed out of hearsay and personal observation, that 2.5 percent of the favorable impressions and 17.4 per cent of the unfavorable were gained from reading newspapers, magazines, etc., and that 2.8 per cent of both kinds of impressions were obtained from radio, advertising, school, and other sources, including those unknown.

Thus a total of 94.7 per cent of all the favorable impressions, according to what people themselves tell us, are gained from what we have heretofore regarded as minor means of communication with the public--the personal contacts we have with people, word of mouth publicity, and people's own use of their eyes. Of the unfavorable impressions 79.8 per cent are gained in the same manner.

The importance of the proper use of Open House begins to become apparent.

An infromal survey of a group of textile executives, who have held Open House in their plants, concluded that this tool of community relations easily ranks high among the few simplest, least expensive, and most expensive, and most effective ways to win community good will.[1]

The phrase Open House is actually a term embracing three reasonably distinct practices, each of which has certain characteristics peculiar to itself.

Family or Employee Day is perhaps the oldest from the standpoint of usage. As its name implies it is a day set aside exclusively to entertain employees and their families, and is an excellent means for the promotion of better employee relations.

Another type of Open House is what might be called *Community Day*. This is the occassion when the plant is thrown open for inspection by the public at large. Demonstrations of actual production processes involved in making products and pointing out production problems to the visitors may be held. Many organizations carry this educational process even further by the use of displays, demonstrations, prepared talks, by guides, booklets and other

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[1] See *Open House Booklet Number One*, (Prepared for The Textile Committee on Public Relations by Dudley, Anderson and Yutzy, New York, 1949), p. 2.

techniques to point out the economic problems of the company and to illustrate their contribution to the economic well-being of employees, customers, and stockholders.

The third practice which comes under the general term of Open House is the *Special Guest Day.* This is the time-tested practice of inviting carefully selected groups of thought leaders to visit the plant. These may include local civic leaders such business men, ministers, teachers and youth groups. With few exceptions, it is best to have such groups homogeneous--that is, all teachers, all clergymen, all suppliers, and so forth--and obviously, all planning must be based on a recognition of the special interests and attitudes of the group. Such plant visitations lead to reciprocity in which there is often a free exchange of ideas that are of help to individual companies and of benefit to the community.

Whether a company decides to combine all three of these practices mentioned above or uses them separately will be dictated by what the company wishes to accomplish, or by the nature of the event which provides the reason for sponsoring the occasion in the first place. The important fact is to recognize that there are three types of Open House which may be employed to produce the results desired. Regardless of size and type, however, they all have the same general objectives and require the same careful planning. In this study whenever the term Open House is used it will refer to all three of the above practices.

A. *PRIMARY OBJECTIVES OF OPEN HOUSE*

There are three broad, general reasons why the Open House is both good business and good public relations. The first is to gain good will. The second is to build employee morale. The third objective is the education of

of the various publics with which a company may come into contact. As yet, there has been no accurate method devised to measure the intangible results of the Open House. There is very little actual evidence which outlines the results of Open House. The results are 'sensed' results. General impressions of people who have conducted these affairs point to certain results they believe have accrued to their companies by holding Open House. These theoretical results then have been enough to convince many industrial organizations that they furnish valid reasons for conducting Open House.

1. *Open House gains good will*

The modern Open House, if properly conducted, actively attempts to create improved community understanding of the company. The Open House is not a sight-seeing tour. Instead it is a opportunity for the company to permanently establish good will through a better understanding of the operations of the business. Mr. Charles L. Bromberg, Chairman of Associated Industries of Alabama, stated at the Sixth National Conference of Business Public Relations Executives Meeting that:

> *"... during the past sixteen months, we have conducted a vigorous program of plant visitations. We firmly believe that this is one of the very finest methods to bring about a better and sounder understanding between the people and our industries."*[2]

The Open House by itself cannot bring about perfeact understanding between the community and the company. To be effective, the Open House must be a part of a much broader plan to reach the public. However if there is a new community relations policy being launched nothing could start it off better than an Open House.

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[2] See Sixth National Conference of Business Relations Executives, (auspeces of National Association of Manufacturers, New York, 1949) p. 106.

The neighborliness of inviting the citizens of the community to visit a plant is further emphasized when the company can show that it is a good place to work, a safe place in which to invest money and truly a good citizen in the community. The company which accomplishes these ends will have taken a long step toward good community relations.

2. *Open House builds employee morale*

The Open House is capable of strenghtening employee morale in two distinct areas. First, by helping the worker himself to realize the importance of his job and create the feeling that he is making a contribution to society. Secondly, by explaining his job and its importance to his family and the community, the employee becomes proud of his job and the contribution he makes to his community.

Because many employees seldom see more of the plant in which they may spend most of their lives than the small section in which they work, it is important that they see their job in relation to the whole operation. No matter what his job is, every employee is an important part of the organization on Open House day.

Improved employee morale is often reflected in reduced labor turnover, and better job applicants. By serving as an excellent means to demonstrate good plant working conditions, the Open House is also effective in dispelling employee misconceptions about company operation.

Among the people of a community who are most anxious to visit its manufacturing plants are the families of employees. It is generally true that, while they have an idea about the job of the breadwinner, it has never been explained quite to their satisfaction. Employees generally take considerable pride in being able to actually show their families their part in the

company's production. During all types of Open House the employees actually feel that they are the hosts of the people who are visiting the plant. At the same time experience shows that no production lag takes place.[3]

Still another important factor in building employee morale is maintaining a feeling of security among the employees. Many factors and conditions, which make a good place in which to work, are not too obvious. It is difficult to see or touch many of the best things. For instance, employee benefit plans. One can not see or touch a group insurance plan and admire it accordingly. But in terms of individual security--even as a contribution to the welfare of a community--an employee insurance program under which the employer absorbs part of the cost has impressive significance.

Training programs, employee activities, safety and health programs, opportunity for individual advancement--all these are the fabric of a good place to work. Again, they are not obvious, even to many employees. They need to be sold and explained and interpreted. It takes imagination and ingenuity to dramatize the signifigance of employee programs. It is worth the effort, needs doing, and can be done through Open House activities.

3. *Open House as an educational aid*

It has previously been stressed that the public has a distorted picture of the financial, production and engineering problems which face industrial management. While many people are convinced that the mechanical wonders of mass production are good for the country, many others are confused about how all this affects them as employees and taxpayers. Wrapped up in what people think about an industry--what they like about it, what they dislike about it, what they are interested in, what they are confused about, what

they do not understand--are many factors that force thevalue of good will up or down.

Dr. Claude Robinson of the Opinion Research Corporation has said on many occasions, that messages presented to visitors at an Open House are retained over a surprisingly long period of time. He has also said that people attending an Open House expect to receive information, and that they welcome being 'sold'.[4] Perhaps the reason is because this type of presentation is the next closest thing to talking to people personally.

The opportunity for telling the company story during Open House is almost limitless. Here are only a few of the facts that can be explained during the plant tour: The company's scientific and engineering programs; the structure of the industry of which the company is a part; safety and health practices; significance of local purchases and payrolls; number of jobs created by the company; part played in civic progress; and facts about financial structure of company.

Industrial management is becoming aware that it is a sound public relations practice to explain its problems simply and honestly to the public. Only when they are fully informed about a company's financial, production and engineering problems will the public understand and appreciate the actions which management might take to solve these problems. And Open House is made-to-order for explaining many of these perplexing problems.

If there is one thing an industrial Open House can do better than show how things are made, it is to demonstrate how our economic system functions. All the ingredients are present--men, money, materials, machines, tools,

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[4] See Sixth National Conference of Business Public Relations Executives, (auspeces of National Association of Manufacturers, New York, 1949) p. 110.

taxes, costs, profits, wages, salaries, competition, customers, supply, demand and so forth. During the plant tour, explanations and descriptions may go beyond mere statements of fact. Group discussions with management representatives, remarks of guides, descriptive placards on machines, tools and stockpiles are only a few of the media that may be used to convey information during Open House.

B. *SPECIFIC RESULTS OF OPEN HOUSE*

When the Open House is conducted in an efficient and intelligent manner and the above three objectives--good will, employee morale and education--are fulfilled, certain more specific results begin to become apparent.

Job applications become more numerous when the citizens of a community understand and trust an organization; thereby giving the company a better labor source.

Press relations may be improved during an Open House either by conducting a special tour for the press or by keeping them well--but not over--informed about the event.

The opportunity to improve stockholder relations during Open House should not be overlooked. Competition for investing capital is stiff and the co. which is best understood and trusted will have less trouble finding additional capital with which to expand. When the stockholder is taken through the plant he has an opportunity to see what his money has made possible. The stockholder also takes greater pride in ownership when he understands the problems of the company in which he holds stock. If during a community-day celebration stockholders are urged to attend and given special identifying tags, other visitors can see that the owners of the company come from all walks of life. This aids greatly in dispelling the

idea that owners are the bloated investor type so often portrayed to employees and community neighbors.

Another result of a carefully planned Open House is the increased reception of a company's other messages. This again is the natural result of people being more interested in a company which they understand and have some intimate knowledge.

During special guest days when students or teachers visit the plant there is the opportunity to stimulate studies and discussions about local industries. Special study projects may be planned with schools and in this way influence the caliber and attitude of future employees.

Professional groups all have special interests in an industrial plant. Doctors, for example, are as much interested in the public health as any plant manager is in production efficiency and its improvement. Clergymen are interested in human relations in industry. All have a sincere, sympathetic and professional interest in industrial programs and problems. The opinions of these men and women are important and the fact that they can help solve plant problems should be enough to warrant careful consideration when planning Open House.

The fact the Open House advances the cause of mutual understanding between employee and employer is a matter of record. The magazine Connecticut Industry quotes the president of the Stanely Works in New Britain, Connecticut.

> *"A great deal of good will was created between employees themselves in their own division, and between other divisions--they learned that fellow members of the Stanley family were fine workman, were human and were faced with similar problems. Executives and employees alike stated that this Open House will have a strong influence over future labor contractual relations."*

Another result of Open House, particularly where a plant produces a consumer product for distribution in a local area is enthusiasm for the product and increased sales. Selling at this event must be done respectfully and always in a low pressure way. Food and dairy companies, for example, have found an important selling advantage in the demonstration of sanitary conditions under which products are prepared and packaged.[5]

C. *DETERMINING THE SUCCESS OF OPEN HOUSE*

Ever since industrial leaders have begun to recognize the importance of the function of public relations and accept the new concept of business responsibility to public interest, men in the public relations and allied fields have been seeking methods to measure the results of their efforts. Their task has been difficult. The techniques of public relations furnish little tangible evidence with which to base conclusive answers.

As a result, for many years no criteria was developed to accurately measure the success or failure of Open House. True, in recent years many companies have boasted that they have held a successful Open House because so many thousand people visited their plant or because they dispensed so much cake and ice cream. Of course the number of people who attend an Open House is *not* a measure either of its success or of what it accomplishes. It is only an indication that a certain number of people were interested in seeing the plant and its operations.

Other companies have found that they can definitely trace better bank relations, employee relations or a change in community attitude to the effectiveness of Open House. These conclusions, however, are only

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[5] See Appendix, Borden Milk Company case study.

'sensed' and tread on pretty thin ice. Recognizing real results is truly difficult unless something better than guesswork is used to measure the results.

Out of this concern, to find more specific methods to measure the Open House and other techniques of public relations, has developed a broad expansion in the use of public opinion research and a general recognition of the fact that public attitudes can and must be accurately measured. Progress in developing these methods was slow, but in recent years organizations such as the Opinion Research Corporation has been making rapid strides.

For example at American Type Founders, Elizabeth, New Jersey, interviewers from Opion Research Corporation visited guest two weeks after each special guest visit. Their questions were designed to discover reactions and impressions, and learn how much of company's message was retained. In this sampling, 94 per cent of the visitors were able to cite one or more basic facts they had learned about the company. The amount paid to stockholders was repeated by 92 per cent. One or more employee benefits were remembered by 87 per cent, and 72 per cent knew the employee's share of the dollar. These are startling facts, especially in the light of The Standard Oil survey previously cited.

Another outstanding example of the effective use of opinion research in measuring Open House results was illustrated at a recent Walter Baker Open House. Sixty housewife visitors were interviewed several days after they took the tour. Also interviewed was a control group--an equal number of local housewives who had not taken the tour. The results were again highly satisfactory and were published by the

Opinion Research Corporation, as a part of an Index Report. The answers revealed an amazing recall by respondents and without a doubt revealed *attitude differences* after taking the tour.

Before and after surveys of this type are admittedly expensive. But two facts remain. First, if the stakes are high and a company must definitely know whether their messages were commuted to the public, there is a method which offers a reasonable amount of results. Second, these and many other such surveys clearly demonstrate the effectiveness of a *properly* conducted Open House.

CHAPTER III

POLICY CONSIDERATIONS WHEN PLANNING AN OPEN HOUSE

A. *WHO SHOULD HOLD OPEN HOUSE?*

In the previous chapter some indication was given as to the results which may be expected from a properly planned and conducted Open House. However, the fact that the Open House is an accepted an valuable technique in many community relations programs, does not mean that a program of this type will solve all the community relations problems of a company. An intelligent doctor would not prescribe aspirin to every headache victim no more than a public relations director would suggest Open House as the solution to any or all community relations problems. It is at this point that a great deal of objectivity is needed by management.

Before determining whether to hold Open House, what type of Open House to use or when Open House should be held, three important steps must be taken.

First, the company must make an exhaustive survey and analysis of its own problems, limitations and community services. A clear understanding must be developed of the exact relationship these factors bear to the community. In short the company must be put under a magnifying glass so as to determine the position it occupies, the services it performs and the relations of its members to their fellow citizens,

It may be that employee relations are bad for some reason, or that the factory is causing the community undue hardship because of smoke nuisance. In these and many other circumstances it is the duty of a

community relations program to first find a cure for these ills. Plant-community understanding is difficult to achieve when the plant visitor sees unhealthy plant conditions or recognizes community problems which the company could help solve. After these primary problems are solved the Open House has a better opportunity to fulfill its mission of promoting better understanding between the company and community.

The second step is to survey the needs of the community. If the city is in clear need of a recreation park, if unemployment is exceptionally high, or if the city is plagued with bad government, these problems then deserve immediate attention. The Open House will be far more effective if the community knows that you are helping them find solutions to their problems.

The third step is tied very closely to the first two; however, its importance to the field of public relations warrants its mention again. That is the job of putting the company's own house in order. Shaping company policies with always an eye on the public interest is a herculean task, but, if done, will go far toward insuring the success of the whole public relations program.

The answer to the question, who should hold Open House, begins to become apparent. Those companies which have surveyed their own structure, recognized the needs of their community and shaped their policies toward the public interest are in the most favorable position to hold Open House. This is not to imply that *only* companies who find themselves in this happy circumstance can hope to hold a successful affair of this type. It means that tangible and intangible results of an Open House held under these favorable circumstances will be better and that objectives will be more

easily accomplished.

There are further considerations which sometimes dictate whether a company will or will not hold Open House. A completely uninteresting manufacturing process in some instances limit an operation such as Open House. However there are very few manufacturing processes that the public does not find interesting if properly presented. Seemingly simple procedures such as wire making, manufacturing of cement, etc., have all attracted large crowds on visitation day.

Dangerous manufacturing processes or conditions sometimes limit the extent of Open House operations. Company officials should never, under any circumstance, unnecessarily endanger visitors to the plant.

During the war many products and manufacturing processes were of a secret nature. This circumstance sometimes limits a company to other media than Open House. Here again care should be taken not to exclude the public unless necessary. Many parts of the jet engine are still secret, but the public could be and is taken through parts of these plants without revealing military secrets.

A plant which has difficult working conditions sometimes has trouble staging plant tours. Mining companies and steel companies are continually plagued with this problem and unless there is a great deal of misconception on the part of the community about working conditions, extreme care should be taken in conducting Open House in these instances.

The majority of companies who have conducted Open House report that production has increased instead of decreased during a factory tour. However there are some manufacturing processes during which an Open House inevitably results in confusion and disruption of production. In

these cases Open House is ill advised.

There is a misconception among many that the Open House is limited to large companies. In a survey of many miscellaneous activities in American business, published in 1948 by *The National Industrial Conference Board*, it was found that nearly 7% of the 3,498 companies surveyed are now conducting open house programs. The figures show that the practice is more prevalent among the larger companies than the smaller, but even among those with fewer than 250 employees there are some that hold Open House. Of this group, 2.3% report the practice, while among companies having between 250 and 1,000 employees, the percentage is 5.3. More than 10.5% of the companies having between 1,000 and 5,000 employees are holding Open House, and nearly 18% of the very large companies with more than 5,000 employees.*

* *Conference Board Personnel Management Record April, 1948 Vol. X, No. 4*

B. *DETERMINING THE TYPE OF OPEN HOUSE TO HOLD*

One of the first decisions that must be made after it has been decided that some form of Open House will be used in conjunction with the community relations program is determining the type of Open House to conduct.

As this study has previously pointed out, the broad term Open House is broken down into three main types -- Community Day, Employee Day and Special Guest Day. Each of these practices is designed to reach a specific audience and accomplish certain objectives. The choice of one over another will depend largely on what objectives management wishes to accomplish and to what group of people the company wishes to tell its story. It is necessary then to consider each of these practices separately and

to discover what each is capable of accomplishing and when each may be used to its fullest advantage.

Community Day--is usually a day set aside for the general public to inspect the plant and observe the company in action. Broad economic lessons, demonstrations of actual production processes, and explanations of company problems can be presented to large groups of citizens. This type of event need not be held on any particular date or in conjunction with any particular occasion. However, the publicity value and enhanced drawing power resulting from holding Open House on a special date, for instance on the anniversary of the founding of the community in which the company is located, is capitalized on by many companies.

This type of Open House is effective in combating community wide misconceptions about plant conditions. This is also the type usually used at the dedication of newly acquired property or completion of new factory facilities. The Community Day is also used by many companies so that they may hold Open House simultaneously with community events such as County Fair, Centennials, etc.

Community Day, then, is used to tell the company story to large groups of people particularly on special days. It is used to celebrate an occasion --one in which the company invites all its neighbors to visit the plant. Preparation for this particular event is similar to the other types, always, however, keeping in mind that plans must include vast numbers of people.

Employee or Family Day--is set aside exclusively for the benefit of employees and their families. This event is usually used to help maintain better employee relations. The employees should be given a greater part in planning this type of Open House, for it is their affair and they will

take a greater interest if they help plan the event. Many times Employee Day is held in conjunction with Community Day--that is, a special time is set aside for the employees and their families to visit the plant. Normally, however, it is held on some traditional date having no connection with other occasions. Family Day is usually held on a day when children of employees can attend -- frequently in the summer or early fall. It is an excellent time to generate a family interest in the company, thereby creating better employee relations and securing greater company loyalty.

Special Guest Day -- This type of Open House is perhaps the oldest and most effective for accomplishing specific objectives. The audience can be carefully selected and the whole affair slanted to their particular interests. If a company wishes to influence community thinking, selected groups of thought leaders may be invited to the plant and given special tours which are of particular interest to them. Salesmen, buyers, businessmen, teachers, students are just a few of the groups that this type of Open House may appeal. These visits will be most effective and a greater exchange of ideas will take place if the groups are homogeneous. Whenever possible, the wishes and convenience of the guests should be given priority when arranging a suitable time for the visit.

Studies have revealed that the greatest contribution which can be made to an effective Open House program is the careful choice of relevant themes. In planning the many necessary details of a plant tour, businesses might be tempted to forget that the public is much more interested in how the company adds to their well-being than in the beauty or efficiency of the plant's operations.

Themes which have been successfully adopted for plant tours include:

The entire community benefits from the wages paid to -- and spent by -- the employees of the local plant.;

High production means more job security and increased opportunities.;

Good working conditions - proper lighting, clean rest rooms, tidy housekeeping, etc.

Skill of employees.

Accuracy and precision in manufacturing.;

Modern equipment that eliminates heavy labor, simplifies jobs and increases productions.;

Research which makes for better, uniform products.;

Care in manufacture.;

New methods and new products.

Safety measures - special devices on machines, clean aisles, guard rails, special clothing, etc.;

Other employee benefits - medical and hospital care, suggestion system, bulletin boards, cafeterias, etc.;

These separate types of Open House--Community Day, Employee Day and Special Guest Day--must be examined to determine which of the three will best solve the immediate problem. It is possible that all three practices may be used in order to gain the desired results. Many companies stage a Community Day celebration and Employee Day affair on set dates during the year and hold special plant visitations whenever the need arises. The important factor is to size up the problems and audience to be reached and choose the Open House practice that will be most effective.

C. *WHEN TO HOLD OPEN HOUSE*

After the executives of a company have decided to hold an Open House, and once they have settled on its purpose or purposes, it is next necessary to decide when it should be held. Many companies prefer to hold Open House on anniversaries, at the completion of new buildings or plant facilities, stockholders meetings, presentations of new products or models, etc. Most companies, however, that have inaugurated Open House programs within the last two or three years have built them around no particular event but in response to a desire to have employees, their families and friends and members of the community in general become better acquainted with the company. As was mentioned earlier, some companies have found that the Open House takes on additional significance from being associated with some important community event.

Whatever occassion the company decides to use for holding Open House, timing of the event is of the utmost importance. The timing of the affair must consider at least two very practical factors. The production factor must always be considered when planning the Open House. In most cases it is highly desirable to have the plant in operation, therefore slack seasons and production schedules must be carefully studied before setting the date. The seasonal factor is another important consideration. Very hot or cold seasons should be avoided, particularly if part of the plant grounds will be needed for display areas, refreshments stands or rest areas.

On the other hand, selection of a date also should take into consideration the special interest of the guest invited. For example, the opening of a new or modernized plant hospital would be of direct interest to physicians or a nurses' association. Installation of new industrial

waste disposal equipment, additions of new or expanded research or engineering laboratories, etc. -- all these and others provide a natural occasion for a special group visit of one kind or another.

Another factor worth consideration is regional and community customs. Often times a study will reveal important habits and customs which have an influence on the timing of such event and manner of invitations.

The time period for Open House should be given special study before any definite dates are set for the event. The study of Open House activities of forty-seven companies made by *Factory Management and Maintenance* gives some indication as to the number of days given to an affair of this type.[1] Of the forty-seven companies, twenty-four staged one day affairs, eight lasted two days, five companies had a three day celebration, two lasted for four days. The remaining seven companies varied their Open House from one to eighteen days. Employee Day celebrations and Special Guest tours are usually one day affairs. The Community Day type of Open House is more versatile and may last as long as eighteen days, as did a Johnson and Johnson Company Open House.

Results from the above survey also indicate that the afternoon is the most popular time for holding an Open House. Of the forty-seven companies questioned thirty-three opened their doors in the morning and continued all day. Forty-three of the forty-seven companies conducted Open House during the afternoon and either morning or evening.[2] More than half held at least part of their Open House during the evening. This indicated that the after-

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[1] L. M. Stark, "How to Plan and Run Open House," *Factory Maintenance and Management*, 107:92-104, February, 1949.

[2] Stark, *Loc. Cit.*, pp. 103-104.

noon and evening are the most popular times of the day to conduct plant tours. A careful selection of the season, month, day and hour will go far toward insuring the success of any type of Open House program.

D. *GENERAL CONSIDERATIONS.*

Responsibility for Planning--The initiative which is behind the idea of planning an Open House usually begins with management. And like all other phases of public relations, this event must be actively supported by top management. Management decides whether Open House will be held; it is the company which directly benefits from Open House and as a result it logically follows that in the end management must accept the full responsibility for the planning and execution of Open House. Of course in the last analysis the event can only be successful if this authority and responsibility is properly delegated.

Management should at the outset give to its production representatives a clear understanding of the purpose of its proposal to open its doors to the public. This can best be done if an initial plan is outlined. Ideas must be collected and presented in written form so that the committees will have a guide in the early stages of planning. The various advantages which will accrue to the business from the Open House should be adequately defined so that there will be a maximum of cooperation and initiative forthcoming from those who will assist in laying the plans. Only when this complete understanding has been achieved and cooperation assured can the definite responsibilities of the various supervisory personnel be established.

Production vs. Non-Production--One other important decision which must be made concerning the day which Open House is to be held, is whether it

should be on a day when the plant is in operation, or on a Saturday, Sunday or other time when the plant is idle.

The two main reasons why many companies refrain from holding Open House on production days are (1) they feel that the introduction of a continuous stream of visitors into the plant for an extended period of time would disrupt operations, and result in loss of production and (2) some companies feel their operations are too hazardous for them to provide adequate safeguards against accidents to visitors.

On the other hand, companies which have held their Open House on a work day do not generally experience any difficulty regarding production slow-downs. Several companies even report that production increased noticeably on Open House day. The reason for this should not be surprising. If the morale of most of the workers is good, and they have a reasonable amount of pride in their work, it might be expected that they will work harder than usual in order to impress the visitors. It is conceivable in some situations that a Community Day celebration, where the whole community is invited, might slow the production schedule. The Employee Day and Special Guest Days almost demand that there be at least partial production during the plant tour.

There are definite advantages in having the plant in operation. One is that the whole exhibition is certainly more interesting. The average visitor expects to see some action when he visits the plant, and his disappointment is justified if he does not witness at least partial production. Guests are also more easily impressed with the amount of energy, thought, and money which goes into the development of a given piece of machinery when they see it in operation. Then, too, families

of employees will want to see their breadwinner working on the job. Some companies try to avoid the disadvantage of not having the plant in operation by having only skeleton crews operate the plant or a few skilled technicians present to operate and explain some of the more complex machines.

Results from the comprehensive survey which *Factory Management and Maintenance* recently conducted show decidedly that the trend is toward holding Open House during working hours. Of the forty-seven major companies polled, thirty-eight were in full operation, nine were in partial production, while only five companies were completely shut down.[3]

The decision on production or non-production during Open House of course must be made in terms of local conditions. But the successful experiences of those companies which have held Open House on working days seems to warrant the conclusion that any company which has not done so, should, if it can possibly manage it, hold Open House when the plant is in operation.

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[3] Stark, *Loc. Cit.*, pp. 103-104.

CHAPTER IV

A PLAN FOR ORGANIZING AN OPEN HOUSE

A. *INITIAL ORGANIZATION*

It is essential that the heads of all departments of management take an active part in the planning and execution of the Open House. This is in accord with the wide recognition that public relations is a responsibility of management at the policy level. The public relations director, if such a formal activity exists within the company, the personnel or industrial relations director and their departments are qualified to coordinate the necessary promotional activities and will handle many of the important details. But the probable success of such an affair may be seriously impaired if other top management personnel do not assume appropriate obligations.

As with any project which involves many people, organization is the keynote to the success of Open House. Top management is responsible for the success or failure of Open House so they must consider carefully how their authority is delegated, and the plan organized. In general there are two plans by which most present-day Open Houses are conducted. One is generally termed *employee organization* and the other is called the *committee system*. Both are in use today; however the committee system is most widely accepted as being the more efficient.

Employee Organization--The employee organizational system is a plan whereby the employees are allowed to sponsor and arrange for the Open House. Responsibility may be placed in the hands of the foreman's or other supervisory associations. This plan has the advantage of procuring a

greater amount of interest and cooperation from a maximum number of employees, since by making them partners in the program, management appeals to their pride and a desire to put on a good show. If this system is used, care must be taken to see that one of the group possessing strong leadership attributes is placed in charge. Otherwise there is a good possibility that the original enthusiasm of the employees for the program may dissipate itself in misguided and unguided effort.

The greatest success of this plan seems to be with Employee Day celebrations and the smaller Open House affairs. Many companies object to this system because they believe it is not an efficient method to use if Open House is conducted on a large scale. The Stanley Works of New Britain Connecticut, however uses this method to plan their Open House affairs.

President Pritchard of the Stanley Works stated that such a program as presented by the employees did a great deal for his particular organization. "But," he said, "each manufacturer must tackle his own problems his own way. We have found this affair to be pleasant as well as practical, and we firmly believe that it will be conducive to good results, yet it does not necessarily follow that such satisfactory results would be obtained by other organizations from a like project."

There appears to be two general reasons for the failure of this type of organization of Open House. First, to plan and conduct an affair of this type, a separate organization having little or no relation to the production organization must be established. This takes employees out of their normal sphere of activity. Hence they are seldom capable to come up to the job in so short a time. Secondly, this method of organization sometimes loses its efficiency because of lack of interest and control of

activities.

Committee System--Probably the best plan, because it is the most flexible and provides for contralized control, is the committee type of organization, headed by a general chairman, selected from the uppermost levels of management. With this system it is logical that the person charged with the over-all administration of the program should be of that group. Granted full power to make decisions and to take whatever action is necessary to assure the success of the occasion, he will be in an excellent position to accomplish and arrange matters which might otherwise be blocked by individuals who are unsympathetic or lukewarm to the whole idea.

A warning must be sounded here against the practice of making the committee system exclusively a top management affair. It is vital that a sense of participation be instilled into all levels of responsibility in the plant if Open House is to be successful. This means participation in *planning* as well as *execution*.

The first step toward activation of a program tentatively decided upon by management should be a meeting or a series of conferences between the proper representatives of top management, including the management official in charge of public relations, and the various branches of plant supervision, the general superintendent, general foreman, industrial relations representative, safety supervisor, maintenance manager and, in some cases the leading shop steward of the union representing employees. This might be known as the Steering Committee for the Open House.

This Steering Committee should be charged with certain important decisions which must be made at the very beginning of the planning stage of Open House. This initial committee should decide on such matters as when

the affair should be held, length and type of Open House and certain budget recommendations. The general chairman or coordinator should also be chosen by this group. Sometimes they also are charged with appointing the committee heads, although this task is usually left to the director of the Open House.

In the last analysis, however, the gneral chairman can be successful only if he works through an efficiently organized group of committees. This system of committees can be small or large, simple or complex depending upon the type of Open House to be held, and how elaborate it will be. An excellent example of committee organization set up by one large company to run a three day Open House which over 50,000 people attended, is reproduced below. It can very easily be adapted to the needs of any size company, and will assure that all the details connected with the Open House will be handled by someone; and that there will be no overlapping or confusion of responsibilities.

Publicity Committee.--Prepare all promotional material, including anouncements, and printed material to be given away at the Open House. Maintain close liason with members of the press and radio. Arrange and schedule program of entertainment.

Traffic and Transportation Committee--Direct foot and automobile traffic outside the plant. Arrange for and man parking facilities. Provide transportation for important guest, work with public transportation systems to assure adequate service to and from the plant.

Guest Committee--Prepare and issue invitation. Receive and register all visitors. Hand out printed matter and badges. Set up rest areas, post restrooms. Set up play room and nursery. Provide special handling

for aged and handicapped visitors. Set up informational center.

Exhibits and Displays Committee--Assist various departments to work out details of their displays. Construct and erect them. Decorate exterior and interior of plant.

Plant Tour Committee--Layout tour to fit time alloted to it. Plan and order all display signs. Train guides. Collaborate with publicity committee in preparing guide talks. Designate stations, and tour duties of guides. Equip guides.

Refreshment Committee--Decide on what food is to be provided and when, where and how it is to be served.

Safety and Plant Protection Committee--Take all safety precautions. Provide full time guards at each danger spot. Order and place warning signs. Provide first aid stations. Plan proper protection of plant property at all times.

Clean-up Committee-Supervise plant and equipment cleaning. Clean up at end of Open House day.[1]

The American Iron and Steel Institute suggest that only four general committees, with numerous sub-committees, be established.

Contact Committee, with these subdivisions: Invitations, Welcoming Committee, Bulletin Board and Public Address System, Announcements, Refreshments, and Company Messages.

Tours and Guides Committee, with these subdivisions: Mounting, Posters, Safety Precautions, Guides, Informative Material, Medical Service, Toilet Facilities, Nursery, and Construction of Exhibits.

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[1] See Industrial Relations Report No. 2 prepared by National Metal Trades Association.

Arrangements Committee--Parking, Extra Police, Products Exhibits, Entertainment, Souvenirs, and Personnel Exhibit.

Publicity Committee--Advertising, Special edition of Company Publication, Newspaper Publicity, Printed Matter, Radio Publicity, Signs, and Decorations.

It can be seen from the above list of committees that a great deal of work is involved in preparing for an Open House. It is, therefore, highly important that the general chairman avail himself of the help of as many people, so that the burden of responsibility will not fall too heavily on the shoulders of a few individuals. Sub-Committees should be used in connection with all major committees.

B. *SELECTING COMMITTEES AND ASSIGNING RESPONSIBILITIES.*

Whether committee chairmen are chosen by the Steering Committee or by the general chairman, great care must be taken in their selection. While the work of putting together an Open House can be fairly logically broken down, most plants prefer to select committee chairmen on the basis of their experience and background in getting various jobs done rather than on a strictly mechanical division of responsibility.

Companies conducting large affairs have found that the practice of presenting a complete report of initial decisions made by the Steering Committee, including a description of the jobs assigned to all committees, at the first committee meeting dispells much of the early confusion surrounding an affair of this type.

C. *WHEN SHOULD PLANNING BEGIN*

The decision of when to begin planning for Open House is determined

largely by such factors as: how much time is needed to prepare for the occasion, type of organization used to conduct the affair, type of Open House to be held and how elaborate an Open House is to be. A company planning its first Open House should begin at least 60 to 90 days in advance of the day of the affair. Companies who have had experience conducting Open Houses need six weeks to two months to plan the myriad of details needed to successfully conduct Open House.

The first conferences which lay the groundwork should be held approximately a week before actual planning begins. Objectives should be outlined at these first meetings to give the director or chairman some plan by which to work by. At this stage of planning people who have actually conducted Open House suggest that the person in charge of the affair begin to put into writing a detailed plan of operation. This device lessens the possibility of overlooking many of the small details.

D. *COST CONSIDERATIONS OF OPEN HOUSE*

Estimating the budget should be one of the early considerations when planning an Open House affair. Usually costs are figured on a per capita basis--that is, cost per visitor. Expenses usually run a little higher for special group visits than for the community type of Open House. Of course, this higher cost is compensated for by the fact that more specific results are usually gained by these smaller affairs. Further, the Open House budget will be strongly influenced by related decisions on how big the affair is to be, how much advertising will be employed, whether refreshments are served, what sort of souveniers will be distributed, and whether elaborate special displays will be constructed.

Clean-up and maintenance is generally conceded to be the greatestex-

pense factor in conducting Open House. However, many companies charge this expense to plant upkeep and maintenance. This seems reasonable, for operating men in the plants usually are delighted to get their plants cleaned.

The *Factory Management and Maintenance* survey reported that twenty-five of the forty-seven companies made no estimate as to costs. The twenty-two companies who estimated their Open House per capita costs averaged 94 cents. Estimates ran from 10 cents to three dollars per person. Ninety-four cents per person may seem a high price to pay for a project which offers such intangible results. Compared, however, to other long-range methods of reaching the community such as radio, magazine and newspaper advertising the cost is small. Also from the standpoint of effectiveness the Open House is not at all expensive.

One more point concerning costs. A company can not sell something to the public or employees unless the over-all 'climate' of the company is sound. If Open House is suddenly attempted. When a company has not been in close contact with the community for years, then the cost of Open House will be high and the effect low. However, over a period of time, through an over-all program of good, honest community relations, good employee relations a company can expect the Open House to be very effective.[2]

E. *MISCELLANEOUS CONSIDERATIONS.*

After initial conferences have been held to decide on major objectives, the general chairman and his committee selected, and a rough outline of the project is put in writing, the next step is to have the members of the committee draw up a master time-assignment schedule for preparations. This

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[2] See appendix for expense breakdown of Open House costs.

schedule must be of sufficient detail to avoid confusion of assignment, but must be flexible so it may be refined and expanded as the plan progresses. It is also important for the general chairman to provide a means by which he can keep his committee members and the employees informed on the progress of all arrangements.

The question often arises, when discussing possibilities of conducting Open House, whether the retention of a public relations consultant is necessary. The details of planning and conducting Open House are not so technical or complex that the average company can not find some one in the organization to properly handle the job. Manuals and guides on methods of operation, and case studies of Open Houses are available to those who need them. It does not take a public relations counsel to see that committees to their jobs andmake sure that all of the small details of conducting an Open House are accounted for. An exception might arise in the case of a very large or elaborate occasion when a company public relations director or other personnel might need technical advice in the planning stages.

A public relations counsel is sometimes needed to help management decide whether it is advisable for Open House to be held. An experienced public relations counsel should be used to conduct surveys, to determine deficiencies in company policy and discover the needs of the community. In other words, if a company has a capable executive--he may be the designated public relations director or he may have some other title--who keeps his finger on the pulse of the company and community, no public relations counsel may be needed. However, if a company has no public relations department and no qualified executive who is thinking in terms of public re-

lations, then a public relations counsel is needed--not especially for the Open House but to advise on all company practices.

These observations are borne out by a recent comprehensive survey of Open House practices. Only five of a total of forty-seven major companies who recently conducted Open House retained an outside consultant. The remaining companies planned and executed their Open House affairs with company personnel.

One final consideration. When developing the planning stages of Open House, many companies have found it advantageous to stage a rehersal of the important activities of the program. This may seem unnecessary, but men and women who have conducted Open Houses highly advise the practice. Especially the guides. Their duties and talks should be rehearsed before the actual tour begins, for they are key personnel on the day of Open House.

CHAPTER V

A PLAN FOR CONDUCTING OPEN HOUSE

While it is all but impossible to draw a blueprint which would cover all plant visits or compile all the details involved in conducting an Open House, this expanded outline attemtps to indicate the various procedures and duties required and the complexity of setting up and conducting a successful Open House. The plan that follows is designed particularly for the Community-Day type of visit, but can be employed for practically any type of program desired.

This chapter deals with some of the many details involved in planning and conducting Open House. A procedure which many companies find indispensable at this point is a detailed time and assignment record. Because an operation such as Open House demands an organization of its own, which functions simultaneously with the established production organization, the duties and responsibilities of those who are concerned with Open House must be clearly defined. The Open House chairmen or director is the logical person to establish this so-called time-assignment record. Now the details of Open House.

PROMOTION

Good promotion is vital to the success of any Open House program. Therefore, the person or committee in charge of this function must be chosen with great care and must begin preparations in the very early stages of planning.

The local newspapers are probably the most-used medium for general promotion of the Open House. Many companies, such as the Johns-Manville

Corporation prepare elaborate press packages for the editors of the regional newspapers. These include: general news releases; brief history of company; offset prints of plants, new machinery and executives, with captions; order blank for photographs needed by editors; texts of addressed to be made at the affair; story on research activities and biographical sketches of founders or important executives. A less elaborate approach is to prepare, several weeks in advance of the event, an announcement story with details on the outstanding features planned for the event. If the Open House is connected with some community event, stories should be developed around the community affair. Near the day of the Open House, news stories concerning special instructions such as transportation and parking facilities should be released.

One company has outlined this procedure for news releases prior to Open House: Prepare four news stories. The first three should be short, should appear at well-timed intervals, and should contain information, respectively, about the formation of the committees, the plans which have been made for the Open House and finally, a statement of pertinent details of general interest pertaining to it. The fourth news release, a long feature article setting forth the reason for the Open House, a short history of the company, and other interesting facts, should be released to local papers for publication shortly before Open House Day. A shorter summary of this article may be sent to the other papers which were sent the first three articles. All releases should volunteer company help in giving more details on stories and features.

To supplement these news releases, it is common practice to conduct an advertising program in connection with the event. Full, half or

quarter page displays containing details of the Open House may be placed in local papers. The same general information may be conveyed through spot announcements over the radio. Many companies confine their promotional activities to placards placed in show windows of dealers, banks, libraries and department stores. This method has the advantage of being much less expensive. A display of company products in the windows of large stores is often times very effective, especially if the company has available scale models of plants or machinery around which to build the display.

There are some companies which prefer to give members of the press and radio a preview tour and press party, with top management representatives as guides. Editors, commentators, reporters and photographers are invited to participate in this initial Open House tour. On the actual day of Open House, a press room may be set up for the convenience of visiting press and radio men.

A variety of other community media are used to promote an occasion such as Open House. Theaters are sometimes willing to flash announcements on the screen between features and may also show educational motion pictures prepared by the company. Buses and other public vehicles are often willing to carry stickers announcing the event.

The Westinghouse plant at Derry, Pennsylvania, made arrangements with the local music organizations and the fire companies to participate in a street parade on the morning of its family day. The local businessmen caught the spirit of the occasion and advised residents to display street flags. They printed special posters congratulating the plant on its progress and displayed them in their show windows, decorated for the oc-

casion. Local merchants also prepared a float for the parade.

Information about a coming Open House should be given to employees before it is released to the general public. Normally this news is conveyed to them through the employee paper or magazine, by leaflets clipped to pay checks or inserted in pay envelopes, by placards posted on the bulletin boards and near time clocks, and over the public address system.

INVITATIONS.

Invitations for Open House affairs range from mimeographed bulletin board notices to formal, engraved invitations. Newspaper advertisements, pay envelope inserts, and illustrated folders are also popular media. The Caterpillar Tractor Company of Peoria, Illinois invite most of their guests by telephone.

Surveys show that the majority of the companies use the formal invitation or letter to invite their guests.[1] These formal invitations take many forms. A printed or engraved card, a letter personally signed by one of the officials of the company or an illustrated brochure listing some of the major features at Open House and Family Day are the usual types. Invitations should indicate that children under a certain age must be accompanied by adults or that nursery facilities are available.

Invitation are mailed one or two weeks in advance and generally contain reply postal cards or some other convenient reply mechanism. Companies which wish to keep a record of all visitors provide guests in advance with a stringed tag on which they write their names. A perforated stub on the tag, which also carries the name of the visitor, can be torn off and collected at the gate, thus serving both as a ticket and as a record of the

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[1] L.M. Stark, "How to Plan and Run Open House," *Factory Management and Maintenance*, 107:101-104, February, 1949.

people attending. For large affairs, invitations designate a specific time for arrival. Staggering arrival times for different groups helps insure an even, orderly flow of visitors, and eliminates confusion. Of course in most instances these written invitations are supplemented by announcements innewspapers, plant magazines and other media.

Invitation lists are made up to include opinion-forming groups in the community and surrounding area. Such a list would include many of the following groups.

Employees' families and friends

Educational groups: Superintendents of schools, principals, college faculty members, teachers, college and high school students, parent-teacher associations, boards of education

Civic leaders: Boards of trade, chambers of commerce, municipal and community functionaires

Business groups: Dealers, suppliers, customers, mercantile associations, employment agencies, conventions visiting city

Fraternal groups: Service clubs (Rotary, Kiwania, Lions, etc.) veterans groups, lodges

Cultural groups: Forum clubs etc.

Youth groups: Boy Scouts, 4-H, Junior Achievement groups

Other professional groups: Clergy, doctors, nurses, lawyers, bankers, merchants, press, radio, engineering and other professional societies.

Local or regional stockholders

Groups representing other industries

General Public[2]

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[2] It should be further noted that each group listed here could be easily invited as a special visit as well as for general Open House.

Invitations which are sent to customers should invite them to display their products. End-product displays are almost always successful. Whether invitations are sent to neighboring industries or not, they should at least be notified so that they can take any necessary action to prepare for the arrival of large numbers of people in the area.

PLANT PREPARATION

The task of preparing a plant for visitors must not be taken lightly. There are certain dangers to be guarded against, such as fire, accident, heat and smoke hazards etc. If these dangers are not anticipated and provisions made for their control, the good effect created by an Open House may be wiped out in a matter of minutes.

The danger of fire and the accompanying panic it would cause among guests must be considered by all plants. If the company possesses a volunteer fire fighting unit this group should be briefed and rehearsed for any eventuality. If not, plant guards and additional personnel should receive training along these lines. Fire fighting equipment should be examined to make sure of its condition and proper location.

There is also the possibility that plant equipment and facilities would be in danger or damage or destruction. Adequate protection should also be established for this company property.

The medical and first aid centers of the plant must be carefully checked and equipped for all emergencies. If necessary, additional facilities should be set up along the route of tour.

If a great deal of care is taken to prevent accidents, both inside and outside the plant, there will be little likelihood of serious trouble developing. Many Open Houses have been held involving thousands of people,

and not a single accident reported. However the possibility exists, and if these precautions are heeded all should run smoothly.

> *Prior, to, and continuously during Open House day the Safety Committee or Safety Director should tour and inspect every foot of the tour to make certain that safety precautions are being fully observed.;*
>
> *The guides should give specific safety instructions to each group just before the start of their trip.;*
>
> *If required, safety goggles should be issed to each visitor at the beginning of the tour.;*
>
> *Placards and warning signs should be posted in conspicuous places at all hazardous areas, and hazards themselves roped off.*
>
> *Temporary foot bridges should be places over all railroad tracks in the plant area, and full time guards stationed at railroad and other hazardous crossings outside the company grounds which are not normally protected.;*
>
> *Place full-time monitors at stairways, machines, single steps, etc.; and to caution the sightseers to watch their step.;*
>
> *See that all regular First Aid Stations, and special ones set up for the occasion, are fully stocked with necessary supplies and equipment, and that each is adequately staffed.;*

An added precaution which seems absolutely necessary is to see that complete insurance coverage is obtained so that the plant is protected against all claims.

Creating interest and enthusiasm in the job of house cleaning before and after an Open House is sometimes difficult to attain. The task must be accomplished. If the plant is clean, guests will leave with a high opinion of the company. The Clean Up Committee, therefore, has an important contribution to make to the overall success of the Open House.

A few companies have reported success with the plan of staging clean-up campaigns just prior to Open House and presenting awards at a ceremony on the day of the tour. This is more in the spirit of employee-management co-operation than an enforced-clean-up program, and lends itself to the friendly atmosphere which should surround an Open House.

The grounds around the plant should be as clean and neat as possible. Scrap material around machinery and in plant yard should be disposed of or arranged in an orderly manner. This is a good time to paint many of the surfaces which are often neglected for long periods. Aisle lines must be repainted. All safety signs should be refreshed. Windows should be washed, adequate lighting added where necessary, trash containers covered and floors cleared of trash.

Adequate toilet facilities must be provided for the guests. It may be necessary to supplement existing facilities. They should all be clearly marked and direction markers established along the tour route. Rest areas and lounges must be provided for those who tire on the tour.

In recent years companies which have held Open Houses have arrived at an easy solution to the old problem of what to do with children who may not be safely taken through the plant. They advise that a nursery, staffed with sufficient nurses and well supplied with suitable playthings and food, be established for the care of children on the day of Open House.

ARRANGEMENTS.

Adequate parking and transportation facilities must be provided if the Open House is to be completely successful. Efficient handling of visitors as they arrive and depart from the plant is necessary to avoid confusion at plant entrance. To accomplish these tasks an estimate of

the number of guests expected would facilitate planning.

If plant parking facilities are not adequate, local police may grant special parking privileges around the plant, and assign additional men to the area to help handle traffic.

Signs are often times needed at intersections and along highways leading to the plant to direct motorists. Trucks and trains that normally move in and out of the plant yard should be halted for the duration of Open House. Visitors should be urged to use public transportation facilities if possible. Vehicles and special schedules are usually added for the occasion by city transportation lines. Either the plant or the transportation company might prepare signs identifying public vehicles as being en route to the plant.

Additional transportation may be arranged with the local companies. Free shuttle service to plant from a central location aids visitors in getting to the plant. Schedules for these special services should receive adequate publicity. Special arrangements must always be made for handicapped individuals and retired personnel who expect to attend. Transportation must also be provided for important guests.

Arranging for the reception of the guests is an important detail which will go far toward determining the visitors attitude at an affair of this type. The executives of the company many times take an active part in the receiving of guests. This is a very tiresome job, especially if a large number of people are expected to attend. If executives are to be present at the reception a schedule should be provided for their convenience. A few companies express the idea that it is wiser to provide a corps of receptionists to handle the job. Generally the reception committee

is staffed by girls from various sections of the plant. If this method is used, the executives should rove through the plant meeting people and answering questions. Of course important guests will be met in person by an appropriate official.

Whoever is acting as the receptionists, they must want to appear enthusiastic, and behave as if they were sincerely happy to see each visitor. A similar group should be at the exit to thank departing guests for taking time to visit the plant.

Specific duties of the reception group might be:

Register or count the visitors.

Pass out souvenir booklets or badges.

Hand out tickets entitling visitors to free refreshments and souvenirs, and a chance to win door prizes if such are provided.;

Operate a lost and found department, and check room for personal belongings.;

Make special reception and escort arrangements for the aged, especially retired employees, and for the handicapped.

Introduce group to guides.;

Other special arrangements include establishing an informational center, manned by personnel familiar with the plant, its product and its history. Telephone service should be expanded during an Open House affair. Operators should be able to answer all questions concerning the event and must be on duty at all times.

Decorating the plant in a festive mood is many times the task of the arrangement committee. Decorations usually include welcoming signs on the plant grounds and above the entrance. Flags and bunting add an air

of festivity to the affiar. Cut flowers in the reception areas provides an effective decoration. Neatness and cleanliness, however are possibly the best decorations any plant can have.

GUIDES

Selecting and training guides to be used at Open House must begin at least two weeks before the event. Careful training and selection will pay high dividends. Guides trained for a Community Day affair can be used again on Special Guest Days later in the year.

There are two approaches to the use of guides. Stationary guides located along the route and mobile guides who conduct small groups through the plant. Some companies employ both methods. Usually where exceptionally large crowds are expected, stationary guides are the most effective. The job of organizing small groups and keeping them together is a difficult task.

More time and care must be taken in the selection of the mobile guides but the results from this type of guide are of course more effective. Guides should be chosen for their ability to speak effectively, and to explain clearly what they show the visitors. The guides must exhibit a friendly, easy attitude with both the visitors and the workers at the machines. They usually should wear a distinguishing ribbon or arm band.

If possible the guides should meet a day or two in advance of the event and go over the route to make sure they understand their duties and talks. Guides must be thoroughly grounded on such items as: history of the company; history of production processes; training requirements for various jobs; safety and precision of machines; cost and output of machinery, materials used in production; distribution methods of the product; and end

uses of the products.

Stationary guides are more on the informal level. They are always ready to answer questions and furnish information. The conversations with the visitors are usually longer and on a more informal basis.

When training guides these points should be emphasized:

Know what to say. In many cases prepared talks should be provided for them so they will not give out information which conflicts with that given to the visitors in booklets and signs.

Keep talks simple. Do not assume any previous knowledge on the part of the visitors.

Do not be formal or over-friendly.

Encourage questions.

Talk loud enough. If plant is noisy use megaphones or portable amplifiers.

Keep the group together. (In cases where mobile guides are used)

Do not let a few of the visitors monopolize the time.

Do not bluff an answer. Offer to find the correct answer later.

Keep talks on a verbal level with the visitors.

PLANT TOUR

If visitors are to obtain maximum value from an Open House, and see as much as possible in a minimum of time, great care must be taken in planning the actual tour. Plant visitors expect to learn something of how products are made; therefore, the tour should be planned to satisfy these wants. Some large plants give visitors a choice of tours to follow. A new idea being tried by one midwestern plant is to show a film of the plant production to visitors before taking them on the tour. Other firms

have found it a good practice to give the visitors an idea of the odors and noises they will experience before entering the plant. These techniques give the visitor an idea of what to expect and consequently greater benefit will result from the tour.

If the tour is spread out over several plants, provisions should be made for transportation between buildings. One firm mounted chairs on aisle trucks and used them to shuttle between buildings. Tour routes must be marked well with signs, painted lines and ropes.

When planning the tour the most important point to decide is whether visitors will be allowed to proceed through the plant at their own discretion, or under the care of a guide. Some plants prefer to allow visitors to proceed at their own pace so that they may see what they wish, and watch the particular operation or display as long as they desire. This procedure is used most often during Employee or Family Day affairs. Stationary guides are used almost exclusively in these cases.

On the other hand if the visiting crowd is large, time limited and a control over the movement of the tour is desired, then the guided tour is most often used.

The length of the tour and the route taken by the tour must be given next consideration. The length of the tour should be long enough to cover points of interest but not so long that visitors will tire or lose interest. Most companies state that the tour should not be much over two hours and no longer than a mile and a half.

If possible the tour should follow as closely as possible a production sequence. Some companies start at the end product and work back to the start. Individual plant conditions will dictate the method that should be used.

SPECIAL EXHIBITS AND FEATURES

Exhibits, signs and displays are among the most effective devices to tell the company story during Open House. One of the most popular displays of many recent Open House affairs is one which features the end products in which a company's material or parts are used. Most companies are usually happy to send displays which might be used in connection with an affair of this type.

The various departments in a plant should have many themes around which exhibits and displays can be built. Some ideas are:

Cost of Machines.;

Replacement cost of equipment.;

Improved accurracy and precision.

Company recreational activities..

Company policies relating to hours, wages, training, promotion, grievances.;

Safety precautions.;

Working conditions.;

Medical and pension plans.;

Whenever possible displays should be animated, for they have been found to be the best kind of attention-getter. Mockups, cutaways, models and samples have also been used effectively.

Exhibits, signs and displays may be used to accomplish three main functions during Open House. They (1) help visitors to understand manufacturing processes; (2) indicate product information; and (3) stress important economic aspects of management. Their importance and value to the effectiveness of Open House makes it necessary that due time and consideration

be given them.

Among the special features which given an Open House day added significance are:

Special radio broadcasts which originate at the plant. Man-on-the-Street programs, wire recordings etc.

Roving photographers to take pictures of guest enjoying their visit.

Door prizes are sometimes given as special features of an Open House.

Music may be provided by employees' musical organizations or by high school or local bands.

Contests are sometimes conducted. For example essay contests for school children on some topic of significance. Awards may be presented on Open House day.

SOUVENIRS

The impression and attitude the guests take away on Open House day may be substantially improved and made more lasting if each visitor is provided with some momento of his visit. It may be a souvenir booklet or a special issue of the house organ containing such items as a welcome message, a description of the company, details on any special occasion being celebrated, financial facts about company, pictures of key plant personnel and typical operations, a review of employee programs and management policies, facts about the scope of company operations and importance to community and nation, facts about production and distribution and future plans for the company. To insure an attractive and well layed out souvenir, it is important that this booklet be planned well in advance.

There are some companies which prefer to present guest with a small, useful but inexpensive product of their plant as a souvenir. The result

is even more effective if the souvenir can be given to the guest right off the production line after they have witnessed all the operations that go into the making of a typical production unit. In some cases, special products, such as ash trays, paper weights etc., bearing the company name and date of Open House, are produced or purchased especially for this purpose.

REFRESHMENTS

The practice of serving refreshments at Open House has become almost universal. Arrangements for them are as varied as Open House itself. Full meals are served by some companies on special guest tours, while other companies serve such refreshments as soft drinks, milk, coffee, sandwiches and ice cream sometime during the Open House day. Some suggestions which companies who have held Open House have made:

> *Estimate number of visitors to facilitate planning*
>
> *Serve food which requires minimum of handling*
>
> *Use cafeteria whenever possible*
>
> *Opinion is divided on best time to serve refreshments.; Either at the end of tour or near the middle, whichever seems most practical.;*
>
> *Caterers may be employed to serve refreshments if desired.;*
>
> *Issue tickets for refreshments.; This practice is not advisable if cost of refreshments are inconsequential.;*
>
> *Keep order and confusion at a minimum by forming lines at cafeteria or refreshment stands.;*
>
> *Do not charge for refreshments. Free refreshments are one of the prerogatives a guest expect to enjoy.;*

ENTERTAINMENT

Special entertainment sometimes adds considerably to an Open House occasion. Many companies, however, are of the opinion that too much entertainment detracts attention from the plant tour and the purposes of conducting Open House. They feel that music and refreshments are adequate entertainment.

An electrical company on the eastern coast does not follow this practice. Each year they plan a new type of sparkling show which, they feel, adds much to making Open House a gala affair. One year professional clowns were procured through a theatrical booking agency. They roamed throughout the plant, distributed candy and ballons, and presented a 20-minute show on a stage-platform.

Whether a company will want to have special entertainment will depend to a large degree on: conditions in the plant, type of Open House, available talent, and the general impression the company wishes to create. Certain Open House affairs demand some sort of entertainment, others require none. The decision on entertainment will depend on individual circumstances.

FOLLOW UP

The job of conducting Open House is not over when the last person files out of the plant. To round out the occasion, a follow-up is desirable with employees and with certain visitors. Letters of appreciation should be sent to prominent visitors expressing thanks for their having taken the time to attend the Open House. If possible a brochure of the occasion might be prepared and sent to these guests.

A letter of thanks is unusually sent to the committees and employees

who helped directly with planning and conducting the affair. A letter of appreciation to all employees, which summarizes the major facts about the Open House, such as attendance, comments etc, should appear on bulletin boards and in the plant paper. A display of pictures, letters and comments and other records of the event may be arranged in a display so that employees will continue to enjoy the full flavor of the event.

If pictures were taken, copies should be sent to those involved in them. Many visitors may have asked for special information which was not available at the time. If a record was made of these requests, answers should be prepared and sent to the inquirer.

Pictures and news releases of the event should be sent to local newspapers. Feature stories may be prepared and sent to various trade and business magazines. The employee publication should also carry articles and pictures of the event. Articles written by roving reporters can be used to adequately give employees an over-all picture of the event.

The general chairman should delegate the responsibility of carefully evaluating the experiences and opinions of those persons who had an important share in planning and conducting the Open House. So that the lessons learned in holding one affair might be used in future planning, a critical review of these findings and the over-all results should be put in report form. This should be done immediately following the Open House.

The review should state which features were successful and worth repeating. New ideas which might improve the next Open House should also be included. The review need not be formal, but should be sufficiently detailed to reduce to a minimum the necessity for relying on memory when planning the next Open House.

SUMMARY AND CONCLUSIONS

This study has defined public relations in its simplest form--an art and science which deals with the problem of how an individual or an institution can get along satisfactorily with other people and institutions.

The study assumes that company actions are based on sound 'public-relations-wise' policies. Good intentions are not enough. Industrial leaders must give more than mere lip-service to the principles of public relations. They must believe in the philosophy of good public relations practices, and must continually examine their actions to see that they are in complete accord with their philosophy.

Sound public relations must begin at the community level among the employees, customers, and neighbors of business. The results of this study add further weight to the idea that public relations problems can *not* be solved by attempting to sway the mass mind through the press and radio. The answer seems to lie in a more human approach--the use of personal contacts, word of mouth publicity, and letting people see with their own eyes the situation as it actually exists.

The Open House is such a method. By bringing the community into direct contact with the company, the people of the community can see for themselves what makes industry function, that it is an integral part of the community in which they live.

In conclusion and by way of emphasis, these major conclusions stand out and bear repeating:

> *People like plant visits.*
>
> *Open House, as a communications technique at the community level, is one of the best. It makes use of all five senses--sight, hearing, smell*

taste and touch--to arouse interest and to strengthen impressions.;

Three general objectives of Open House are: (1) good will; (2) improved employee morale; (3) opportunity to tell company or industry story.; This means explaining problems; demonstrating how capitalism works and showing visitors the social significance of the company.;

Facts and ideas obtained at Open House are retained.

Too few companies are taking advantage of this technique of Community Relations.;

Companies that do hold Open House lay too little stress on sociology and economises of business.

Facts and ideas must be interpreted in terms of benefits to visitors.;

Here are five major rules that must be considered when planning and conducting Open House:

1. Decide on approximate date and begin planning far enough in advance. Sixty to ninety days may be considered average. Some Open Houses require longer, some a little less time.

2. Determine early in the planning stage what objectives the Open House will be required to accomplish. This decision will determine, to a great extent, the type of Open House that will be held. The Special Guest Day may serve as a rifle approach while the shotgun effect will be better served by Community Day.

3. Open House must be actively supported by members of top management, for they are responsible for the final results. However, too much stress can not be given to creating a 'sense of participation' throughout the whole plant. This means seeing that employees help plan, as well as execute functions during Open House.

4. Careful selection of Open House chairmean and committee members must be made. Many times the ability of the chairman or director will determine the success or failure of Open House. He must possess,

above all, the ability to coordinate properly the many things that must be done during Open House. The reason for the failure of most Open Houses is not in the particular ideas which are used, but in the failure to coordinate them.

5. Careful consideration of the many details surrounding Open House is most important ifall plans are to proceed smoothly. The relative small number of companies whose experiences the Open House have not been so happy will find that the fault lies, to a great extent, with inattention to details.

Here are other helpful rules which have been included in this study:

Do not overdo the Open House.; Restrict the affair to a few basic ideas.; Spell them out simply, in terms of visitors interests.; Then bring themtogether at the end of the tour in a neat bundle.;

People learn only what is told to them Use visual dramatizers to interpret facts.

Promotion is vital to the success of Open House.; Make sure that the advertising and publicity is given proper attention.

Proper follow-up of the Open House is necessary to round out the occasion.; Letters of appreciation, photographs and news releases give the Open House a proper conclusion. A critical review, prepared by those who planned and executed the Open House, will go far in aiding future affairs of this type.;

Make sure that guides are carefully selected and trained.; They represent the company in the eyes of the guests, and must leave good impressions.;

A final word about the accomplishments of Open House. This device of public relations is capable of changing community attitudes and ideas concerning a plant and its operations. However, for the Open House to be entirely successful, there must be a complete integration of all the tools of the public relations program. That is to say, hold Open House

for what it is capable of accomplishing, but do not expect first-rate results unless it represents a part of a sound, over-all public relations policy and program.

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APPENDIX 1

Here, in narrative form, is the procedure followed by three companies who sponsored, respectively a Community Day, a Family Day and a Special Guest Day. (National Metal Trades Association)

A. COMMUNITY DAY.

This company is located in a middle western town of about 25,00 inhabitants. Its plant, opened about two years after the end of the last war, employs approximately 500 people, and is one of the largest in the community.

An Open House was decided upon as the best means for allowing all the people in the town to see the new plant. The primary purpose for holding it, in the minds of management, was to promote good community relations, first with the employees and their families, and second with the general public. The plant operated on two-half-shifts so that the families of employees could visit them on the job, or could be conducted through the plant by them.

The occasion was held from 10:00 A.M. to 6:00 P.M. on a Saturday, late in the year and approximately four months after the plant began operations. Over 4,000 people attended. Because the local Chamber of Commerce was instrumental in inducing the company to establish itself in the town, and because it had provided much assistance with subsequent problems, the company invited it to act as co-sponsor and to assist with planning the activities and publicity for the Community Day.

A planning time table was made up which designated the starting and finishing dates of various phases of the affair. The responsibility for

handling the details was distributed among as many individuals as possible, including volunteers from the Chamber of Commerce, the Boy Scouts, the Retail Merchants Association, the Y.W.C.A. and others. Letters of acknowledgement for services rendered were sent out promptly after the Open House.

Advance publicity consisted of newspaper articles, accompanied by photos of the planning group, which were released periodically during the final two weeks prior to the Open House. Placards were posted on the main street of town and in the schools. Stores closed early so that their employees could visit the plant.

Additional publicity consisted of wire recordings of interviews with company and city officials, and with important visitors on the morning of the affair, which were then broadcast over the local radio station early that afternoon. Photos were submitted to the newspaper for a follow-up article.

Reception of visitors was handled by company employees, and volunteers from local civic groups. Each worked for two hours. A special group received, recorded and placed donations of flowers. Corsages were presented to each lady visitor. A welcome bulletin containing a tour map was presented to each guest at this point.

The tour route was planned, marked and made safe so that each individual could conduct himself through the plant. The company did not restrict the movement of the sightseers since it was felt desirable that they should be able to watch employees at work. Monitors were stationed along the way as a safety measure. They, as well as company officials, guides, receptionists and messengers, wore simple arm bands carrying the

company trademark for identification, and were available to answer questions at all times. Signs also were used to identify and briefly describe unusual operations, danger points, no smoking areas, first aid, lavatories, etc. About half way through the tour visitors were given another booklet, well illustrated, which contained general information about the company, the plant and the activities of its employees.

Entertainment was provided on a temporary stage erected on a flat car situated on a plant siding. It consisted of choirs, bands and soloists made up of company and high school talent. Employees acted as masters of ceremonies. In addition, a movie of one of the company's operations was shown at the end of a stock room aisle. Employee hobby exhibits were on view at various locations.

Refreshments consisted of coffee, punch, ice cream and cookies served in the cafeteria. A count of visitors was kept. Periodic reports to the cafeteria were helpful in planning replenishment of supplies.

Photographers roamed the plant all during the day photographing visitors. An assistant took down names of those whose pictures were taken. Reporters for the plant employee publication similarly covered the plant to get news stories.

First aid service was provided by nurses located in the regular dispensary and at a temporary first aid station. Continuous inspection tours were made throughout the course of the day to make certain that safety and housekeeping rules were being complied with.

Boy Scouts, under the direction of their Scout Master, directed traffic in the parking lot. This was reserved exclusively for guests. Employees, as a result of arrangements made beforehand, parked their cars

in the lots of neighboring companies.

B. FAMILY DAY.

This company employees about 3,600 people, is located in the mist of a cluster of communities with a population of approximately 200,000 people.

Its Family Day, which is a traditional affair, has been devoted in the past to showing the employees and their families a goodtime. But believing that the affair could be made to serve a more useful purpose, management decided that the one for 1947 should be planned with the following purposes in mind:

1. To carry on the tradition of an annual Family Day, but to slant the appeal specifically to the whole family.

2. To confine the event as far as possible, without policing, to employees and their immediate families. For this reason there was no advance publicity.

3. To encourage employees to bring their families "to see where I work", and thus build up, within the family, an appreciation of the company as "a good place to work."

4. To get all employees together, so that individual workers, and their families, could see that they were working with a good group.

5. To provide an opportunity for the individual worker to get a better idea of how the company's products are made, and to see what happens to them before they arrive at his work place and after they leave him.

6. To provide a good time for the whole family.

Signed letters of invitation were sent to the homes of all employees, and were accompanied by a 20 page booklet. This booklet contained a program of activities, a short resume of operations conducted in each de-

partment, including the technical and general office, and a two page map of the plant. The hope was that visitors would utilize this booklet to plan their tour beforehand. The program for the occasion was in three parts. The period from 9:00 A.M. to noon was given over to plant visitation. Guests were allowed complete freedom to roam through the plant at will. In order that the maximum number of employees could accompany their families, only a sample of each of the various production operations were running and were manned by operators selected for their ability to explain what they were doing and why.

For the information and safety of the guests large signs were conspicously posted, and monitors were strategically located, to point out where various things of interest could be found and what safety precautions to take.

The individual employees family had ample opportunity to visit his work place, to watch what he does, and to talk with his foremen.

Displays of the company's product were located in a special tent erected on the grounds.

The afternoon program was held at a park located nearby. A cold buffet lunch was served, followed by an address of welcome from the president of the company, and a selection of acts supplied by amateurs and local professional entertainers. Rides for the children, and Bingo games for their elders were provided. In the middle of the afternoon the drawing for door prizes was conducted. Another feature was an amateur talent contest. The evening entertainment, which lasted from 9:00 P.M. to 1:00 A.M. consisted of dancing at a country club house to music provided by a large band.

The conclusion reached by the company was that its Family Day was quite successful, especially the morning portion. They were surprised and pleased at the interest shown in the plant, its operations and the finished production resulting therefrom.

C. SPECIAL GUEST DAY

This company is located in a medium-sized middle western city which supports a vocational high school in which approximately 1,000 boys are enrolled.

Feeling that the boys would profit greatly from an educational tour of its plant, and realizing that someday it might be competing with other companies for their services, the executives of the company decided that it would be a good idea to invite them in to be its guests.

School officials gladly accepted the invitation, and arrangements thereupon were made to hold the tour on the forenoon of a school day. A carefully scheduled plan was put into effect by school and company officials which established definite times of departure from and return to the school for each class.

The company chartered buses which shuttled between the plant and school all forenoon. As the students and faculty members boarded the buses they were given a printed, four page leaflet especially prepared for the occasion, which contained a letter of greeting from one of the executives of the company, and a set of instructions with respect to safety and how the boys should conduct themselves while in the plant. The letter expressed the hope that the boys would obtain much of educational benefit from the trip, and that as a result they would be in-

spired to qualify themselves to take their place in the American tradition of craftsmanship. Upon their arrival at the plant the boys were separated into small groups. Each was accompanied by a faculty member and two company employee. One of the latter led the group as a guide, the other followed to keep the group together.

In the lobby of the plant entrance they were greeted by a company executive, who made a short talk about the purpose of the tour, and, in addition, cautioned them to keep together and to wear the safety goggles and guest badges with which they were provided.

The tour itself was a little over a mile ling, and was indicated by a yellow stripe laid down the center of the aisle. The guides provided by the company were fully conversant with the production processes, and were able to give a clear presentation of each operation, and to answer any questions asked by the visitors. So that the boys would get some idea of the use to which the articles are put that they saw made in the plant, several products assembled by customers of the company were on display, with arrows indicating the location of these parts.

It was the consensus of opinion of the executive of the company and of the school officials that this tour was a worthwhile example of industry-community cooperation, and that it was of sufficient value to be repeated at a future date. The Chamber of Commerce also expressed great interest in it, and had several staff members on hand as observers.

APPENDIX II

Here are two expense breakdowns of Open Houses:

This plant has 3,000 employees and entertained 8,000 guests.

Souvenir	$0.25
Candy for children	.03
Refreshments	.13
Publicity	.05
Door prizes	.02
Music, signs, transportation decorations etc. .	.14
Total per person	$0.62

This plant had 2,200 visitors on Community Day

Booklets	$178.94
Invitations	75.00
Postage	60.90
Refreshments	420.80
Paper plates, cups etc. .	91.27
Sheets for Tablecloths . .	73.68
Flowers	87.05
Chief Hostess Salary . . .	50.00
Hostess Dresses and Hose .	197.55
Display materials	30.20
Scrapbook, Guestbooks . .	12.00
Photography Supplies . . .	25.00
Questionnaires	4.52
Letters to employees . . .	15.84
Appreciation Supper . . .	8.00
Total	$1,329.84

APPENDIX III

Here is evidence that the Open House may be used as a sales builder. (Part of case history of The Borden Company)

A carefully planned and well conducted plant opening was held by the local management at New Orleans, Louisiana, where Borden's newest mild and ice cream plant was formally opened on March 5 to 13.

A total of 30,000 New Orleanians, representing all of the Company's publics, turned out to inspect the new Borden plant and visit Elsie and Beauregard. The program was so successful as a sales builder that local management won compliments from everyone--even competitors. At the end of the one-week plant opening program, the local wholesale business increased considerably and further gains were shown in the following week. During this two-week period, the plant had obtained 36 new wholesale accounts averaging 709 units per day. A number of new home delivery customers called the management by phone, complimented Borden's on its new plant and requested that service be started. In addition, a marked increase in consumer demand for Borden products was noted in retail outlets.